

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re: W. R. Grace & Co., et al  
Debtor

Case No. 01-01139 Jointly Administered  
Reporting Period: June 2005

**MONTHLY OPERATING REPORT**

File with Court and submit copy to United States Trustee within 20 days after end of month

Submit copy of report to any official committee appointed in the case.

<b>REQUIRED DOCUMENTS</b>	<b>Form No.</b>	<b>Document Attached</b>	<b>Explanation Attached</b>
Schedule of Cash Receipts and Disbursements	MOR-1	X	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (con't)	X	
Copies of bank statements		X	
Cash disbursements journals			Not available
Statement of Operations	MOR-2	X	
Balance Sheet	MOR-3	X	
Status of Postpetition Taxes	MOR-4	X	
Copies of IRS Form 6123 or payment receipt			Not available
Copies of Federal income tax returns filed during reporting period			None filed
Summary of Unpaid Postpetition Debts	MOR-4		See Note #4
Listing of aged accounts payable			See Note #4
Accounts Receivable Reconciliation and Aging	MOR-5	X	
Debtor Questionnaire	MOR-5	X	


I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Signature of Authorized Individual\*

  
\_\_\_\_\_  
Date

Robert M. Tarola

\_\_\_\_\_  
Printed Name of Authorized Individual

Senior Vice President and  
Chief Financial Officer

\_\_\_\_\_  
Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

**W. R. Grace & Co.**  
**Monthly Financial Report**  
**June 30, 2005**

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**Monthly Operating Report**

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**Bank Statements**

**Federal Income Tax Returns**

none

**Forward-Looking Information**

This monthly financial report contains forward-looking information that involves risks and uncertainties. For such information, Grace claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from the results predicted, and reported results should not be considered as a indication of future performance. Factors that could cause actual results to differ from those contained in the forward-looking information include those factors set forth in Grace's most recent Annual Report on Form 10-K and quarterly reports on Form 10-Q, which have been filed with the Securities Exchange Commission.

**Statement of Confidentiality**

The information contained in the monthly financial report contains confidential information of W. R. Grace & Co. and its subsidiaries (the "Confidential Information"). The Confidential Information has been prepared solely for information purposes and may not be disclosed to any person or entity or reproduced, disseminated or disclosed, in whole or in part, except to officers, directors, employees, and representatives of the recipient ("Representatives") or as required by applicable law or regulation. By receipt of the Confidential Information, each recipient agrees to (1) use the Confidential Information only to enhance its understanding of Grace and its businesses, and (2) inform its Representatives of the confidential nature of such information and direct them to treat such information in accordance with the terms. Each recipient agrees to be responsible for any breach of these provisions by any of its Representatives.

## **Monthly Operating Report**

W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

June 2005

	RJP Money Chase Disbursements 50101013572	Wachovia Disbursements 10618109102	First Union Deposits 2199500021812	First Union Payroll 2078900003315	Merill Lynch Investment 3323705	Merill Lynch Investment 3343175	RJP Money Chase Deposits 332323114
CASH BEGINNING OF MONTH	\$ 48,483	\$ -	\$ (0)	\$ 0	\$ 182,273,748	\$ 0	\$ 749,903
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES							
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES			13,977,942		428,176		
TRANSFERS IN - NONFILING ENTITIES							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	300,000			29,711	73,600,000		
MISCELLANEOUS			359,983				
TOTAL RECEIPTS	300,000	-	14,337,926	29,711	74,028,176	-	-
DISBURSEMENTS							
PAYROLL				29,711			
PAYROLL TAXES							
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES	228,370						
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			14,337,926		68,000,000		
MISCELLANEOUS							
TOTAL DISBURSEMENTS	228,370	-	14,337,926	29,711	68,000,000	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	71,630	-	-	-	6,028,176	-	-
CASH - END OF MONTH	118,113	-	(0)	0	188,301,924	0	749,903

## Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of certain other debtor entities, generally and primarily those that are inactive and/or have no direct employees. Such expenditures are generally de minimis and could include professional fees, state registration fees, business license fees and certain taxes.

W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

June 2005

	JP Morgan Chase Concentration (1600125)	Bank of America Lockbox (8166203114)	Bank of America Securities LLC (22330134)	Fidelity Concentration (200000282172)	Fidelity Payroll (2079900016741)	Fidelity Payroll (2079900005003)	Chase Bank Payroll (18502015736)	Fidelity Payroll (20799000065006)
CASH BEGINNING OF MONTH	\$ 280,491	\$ 2,115,546	\$ 37,691,963	\$ (0)	\$ 0	\$ (0)	\$ 0	\$ (0)
RECEIPTS								
ACCOUNTS RECEIVABLE - THIRD PARTIES		51,564,622						
ACCOUNTS RECEIVABLE - INTERCOMPANY		1,443,678						
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI								
DIP BORROWINGS								
TRANSFERS IN - THIRD PARTIES	1,688,736		174,787					
TRANSFERS IN - NONFILING ENTITIES	25,548,531							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	188,076,021			98,400,000	18,485,133	3,541		130,754
MISCELLANEOUS				382,406	95,765			
TOTAL RECEIPTS	215,313,288	53,008,700	174,787	98,782,406	18,580,898	3,541	-	130,754
DISBURSEMENTS								
PAYROLL					9,521,437			
PAYROLL TAXES					9,059,461			
TRADE PAYABLES - THIRD PARTIES	347,890							
TRADE PAYABLES - INTERCOMPANY								
ACCOUNT SECURITIZATION								
PAYMENTS AS SERVICER FOR GRPI								
DIP PRINCIPAL REPAYMENTS								
DIP INTEREST AND USAGE FEES	180,773							
TRANSFERS OUT - THIRD PARTIES	13,939,494	28,894				2,684		130,754
TRANSFERS OUT - NONFILING ENTITIES	6,591,533							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	194,266,566	53,334,909		98,782,406				
MISCELLANEOUS						877		
TOTAL DISBURSEMENTS	215,326,256	53,363,802	-	98,782,406	18,580,898	3,541	-	130,754
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(12,969)	(355,102)	174,787	-	-	-	-	-
CASH - END OF MONTH	267,522	1,760,444	37,866,751	(0)	0	(0)	0	(0)

## Note #1

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W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

June 2005

	2005-06-01 2005-06-01	2005-06-01 2005-06-01	2005-06-01 2005-06-01	2005-06-01 2005-06-01	2005-06-01 2005-06-01	2005-06-01 2005-06-01	2005-06-01 2005-06-01	2005-06-01 2005-06-01
CASH BEGINNING OF MONTH	\$ -	\$ -	\$ 0	\$ 0	\$ 0	\$ 23,928	\$ 45,248	\$ 24,454
RECEIPTS								
ACCOUNTS RECEIVABLE - THIRD PARTIES			34,968,780					
ACCOUNTS RECEIVABLE - INTERCOMPANY			12,934,874					
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI								
DIP BORROWINGS								
TRANSFERS IN - THIRD PARTIES								
TRANSFERS IN - NONFILING ENTITIES								
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	41,095,327			1,786,566	37,251,373			
MISCELLANEOUS	2,063,130		1,067,309					
TOTAL RECEIPTS	43,158,457	-	48,968,963	1,786,566	37,251,373	-	-	-
DISBURSEMENTS								
PAYROLL						46,670		
PAYROLL TAXES								
TRADE PAYABLES - THIRD PARTIES	(a) 43,158,457			1,517,718	35,034,587			
TRADE PAYABLES - INTERCOMPANY								
ACCOUNT SECURITIZATION								
PAYMENTS AS SERVICER FOR GRPI								
DIP PRINCIPAL REPAYMENTS								
DIP INTEREST AND USAGE FEES								
TRANSFERS OUT - THIRD PARTIES								
TRANSFERS OUT - NONFILING ENTITIES								
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			48,968,963					
MISCELLANEOUS				268,850	2,216,786			
TOTAL DISBURSEMENTS	43,158,457	-	48,968,963	1,786,566	37,251,373	46,670	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-	-	-	(46,670)	-	-
CASH - END OF MONTH	-	-	0	0	0	(22,742)	45,248	24,454

## Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of certain other debtor entities, generally and primarily those that are inactive and/or have no direct employees. Such expenditures are generally de minimis and could include professional fees, state registration fees, business license fees and certain taxes.

(a) These disbursements include Libby indictment, legal, and indemnification costs of \$891,029.

W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

June 2005

	First Nat'l Disbursements 101891210	Bank of America Payroll 000000022337	Altria Payroll 16298857	First Nat'l Payroll 2040000016900	Bank of America Credit Overnight A/C 1311935122056	Bank of America Credit Overnight A/C 1311935122056	Bank of America Credit Overnight A/C 1311935122056
CASH BEGINNING OF MONTH	\$ 10,000	\$ -	\$ 279,110	\$ 56,345	\$ 3,861	\$ 317,693	\$ -
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES					16,317	250,652	
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES					146,252	20	
TRANSFERS IN - NONFILING ENTITIES							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS							
MISCELLANEOUS							
TOTAL RECEIPTS	-	-	-	-	162,569	250,672	-
DISBURSEMENTS							
PAYROLL			287,588		7,655		
PAYROLL TAXES					1,220		
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES					127,704	146,729	
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS							
MISCELLANEOUS					17,531	13,151	
TOTAL DISBURSEMENTS	-	-	287,588	-	154,111	159,880	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	(287,588)	-	8,458	90,791	-
CASH - END OF MONTH	10,000	-	(8,478)	56,345	12,319	408,484	-

## Note #1

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W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

June 2005

	Bank of Boston Operating ACCT 00164519	Bank of Boston Operating ACCT 00164424	Cash Transfers	Cash In Hand	Other	CURRENT MONTH	
						ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 9,201	\$ 298,487	\$ 0	\$ 43,925	\$ (235,755)	224,032,630	\$ -
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES		211,646				87,010,217	
ACCOUNTS RECEIVABLE - INTERCOMPANY						14,378,752	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI						-	
DIP BORROWINGS						-	
TRANSFERS IN - THIRD PARTIES	9	1,577				16,417,499	
TRANSFERS IN - NONFILING ENTITIES						25,548,531	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS						459,158,427	
MISCELLANEOUS					204,527	4,173,120	
TOTAL RECEIPTS	9	213,223	-	-	204,527	606,686,546	-
DISBURSEMENTS							
PAYROLL	407					9,893,470	
PAYROLL TAXES	3,645					9,064,328	
TRADE PAYABLES - THIRD PARTIES		484,417				80,523,067	
TRADE PAYABLES - INTERCOMPANY						-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI						-	
DIP PRINCIPAL REPAYMENTS						-	
DIP INTEREST AND USAGE FEES						180,773	
TRANSFERS OUT - THIRD PARTIES	2,134					14,606,743	
TRANSFERS OUT - NONFILING ENTITIES						8,591,533	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS						477,690,770	
MISCELLANEOUS	2,823	13,552				2,533,571	
TOTAL DISBURSEMENTS	8,009	477,969	-	-	-	601,084,252	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(9,000)	(264,746)	-	-	204,527	5,602,294	-
CASH - END OF MONTH	201	31,741	0	43,925	(31,229)	229,634,924	\$ -

## Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of certain other debtor entities, generally and primarily those that are inactive and/or have no direct employees. Such expenditures are generally de minimis and could include professional fees, state registration fees, business license fees and certain taxes.



W.R. Grace & Co.			
Schedule of Cash Receipts and Disbursements			
MOR-1			
June 2005			
	DIP MONTHLY PENDING	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 48	\$ 48	
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	21,966,566	21,966,566	
TOTAL RECEIPTS	21,966,566	21,966,566	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	21,966,566	21,966,566	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	21,966,566	21,966,566	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	-
CASH - END OF MONTH	\$ 48	\$ 48	\$ -

Remedium Group, Inc.

## Schedule of Cash Receipts and Disbursements

MOR-1

June 2005

	DIP Mortgage Depository/Wire 12283394	DIP Mortgage 15451100 1601831895	Other	CURRENT MONTH	
				ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ (12,517)	\$ 1,283	\$ (11,234)	
RECEIPTS					
ACCOUNTS RECEIVABLE - THIRD PARTIES				-	
ACCOUNTS RECEIVABLE - INTERCOMPANY				-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-	
DIP BORROWINGS				-	
TRANSFERS IN - THIRD PARTIES				-	
TRANSFERS IN - NONFILING ENTITIES				-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	21,350,418	613,235		21,963,654	
TOTAL RECEIPTS	21,350,418	613,235	-	21,963,654	
DISBURSEMENTS					
PAYROLL				-	
PAYROLL TAXES				-	
TRADE PAYABLES - THIRD PARTIES				-	
TRADE PAYABLES - INTERCOMPANY				-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI				-	
DIP PRINCIPAL REPAYMENTS				-	
DIP INTEREST AND USAGE FEES				-	
TRANSFERS OUT - THIRD PARTIES	21,350,418	776,339	1,283	22,128,040	
TRANSFERS OUT - NONFILING ENTITIES				-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS				-	
MISCELLANEOUS				-	
TOTAL DISBURSEMENTS	21,350,418	776,339	1,283	22,128,040	
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	(163,104)	(1,283)	(164,387)	
CASH - END OF MONTH	-	(175,620)	-	(175,620)	

Darex Puerto Rico, Inc.

## Schedule of Cash Receipts and Disbursements

MOR-1

June 2005

	Original Operating Acc. 1300153011	Pay Cash	Original	Cash Retain	CURRENT MONTH	
					ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 5,666,006	\$ 1,500	\$ -	\$ 0	\$ 5,667,506	
RECEIPTS						
ACCOUNTS RECEIVABLE - THIRD PARTIES	441,134				441,134	
ACCOUNTS RECEIVABLE - INTERCOMPANY					-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI					-	
DIP BORROWINGS					-	
TRANSFERS IN - THIRD PARTIES					-	
TRANSFERS IN - NONFILING ENTITIES					-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	575,319			-	575,319	
TOTAL RECEIPTS	1,016,453	-	-	-	1,016,453	-
DISBURSEMENTS						
PAYROLL	5,671				5,671	
PAYROLL TAXES	2,091				2,091	
TRADE PAYABLES - THIRD PARTIES	409,988				409,988	
TRADE PAYABLES - INTERCOMPANY					-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI					-	
DIP PRINCIPAL REPAYMENTS					-	
DIP INTEREST AND USAGE FEES					-	
TRANSFERS OUT - THIRD PARTIES					-	
TRANSFERS OUT - NONFILING ENTITIES					-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	575,319				575,319	
MISCELLANEOUS					-	
TOTAL DISBURSEMENTS	993,067	-	-	-	993,067	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	23,386	-	-	-	23,386	-
CASH - END OF MONTH	5,689,392	1,500	-	0	5,690,892	-

CC Partners			
Schedule of Cash Receipts and Disbursements			
MOR-1			
June 2005			
	First Union Deposit Acct 2190500031802	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Kootenai Development Company			
Schedule of Cash Receipts and Disbursements			
MOR-1			
June 2005			
	FEBRUARY Bank of Montana 1048257	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 5,839	\$ 5,839	
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS		-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS		-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	-
CASH - END OF MONTH	\$ 5,839	\$ 5,839	\$ -

Grace Europe, Inc.			
Schedule of Cash Receipts and Disbursements			
MOR-1			
June 2005			
	Days Payable Period	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	
RECEIPTS			
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRP		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRP		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

Gloucester New Communities Company, Inc.  
Schedule of Cash Receipts and Disbursements  
MOR-1  
June 2005

	CASH ON HAND	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 500	\$ 500	
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ 500	\$ 500	\$ -

Dewey &amp; Almy, LLC

## Schedule of Cash Receipts and Disbursements

MOR-1

June 2005

	MAY 2005	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	
RECEIPTS			
	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS	-	-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS	-	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -



	Alameda County Department 010103572	Mechanics 0619039102	Fresno Deposits/Accr. 218500021812	Fresno Payroll 2079900003616	Merced Inventory 0323735
Balance per books	\$ 46,483	\$ -	\$ -	\$ -	\$ 182,273,748
Bank Balance	\$ 48,483	\$ -	\$ 369,984	\$ -	\$ 182,273,748
(+) Deposits in transit					
(-) Outstanding checks					
Other			(369,984)		
Adjusted bank balance	\$ 46,483	\$ -	\$ -	\$ -	\$ 182,273,748
Deposits in Transit	Date Amount	Date Amount	Date Amount	Date Amount	Date Amount
Outstanding Checks	Ck# Amount	Ck# Amount	Ck# Amount	Ck# Amount	Ck# Amount
Other					
Transfers between bank accounts				(369,984)	
Accounting error					
Interest not recorded on books					
Bank fees not recorded on books					
Payroll tax payments not recorded					
Unreconciled bank activity					
Unreconciled ledger activity					
Reclass negative cash balance					
Returned item adjustment					
Payroll/other activity in transit					
Petty cash funds					
Reporting reclass					
Unrecorded deposit					

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W. R. Grace & Co. - Conn  
Bank Reconciliations  
May, 2005  
MOR-1

	First Union Payroll 2079900016741	First Union Payroll 2079900005500	Chubb Payroll 15502015735	First Union Payroll 2079900005500	First Union Payroll 2079920005781					
Balance per books	\$ -	\$ -	\$ -	\$ -	\$ -					
Bank Balance	\$ -			\$ -						
(+) Deposits in transit										
(-) Outstanding checks	(398,921)	(362)			(3,358,860)					
Other	398,921	362			3,358,860					
Adjusted bank balance	\$ -	\$ -	\$ -	\$ -	\$ -					
Deposits in Transit	Date	Amount	Date	Amount	Date	Amount	Date	Amount	Date	Amount
Outstanding Checks	Check	Amount	Check	Amount	Check	Amount	Check	Amount	Check	Amount
	Detail Available		12566	(15)					Detail Available	
			32048	(20)						
			32049	(1)						
			33960	(1)						
			34066	(50)						
			37009	(88)						
			39031	(32)						
			39032	(55)						
			39033	(100)						
Other										
Transfers between bank accounts		398,921								
Accounting error										
Interest not recorded on books										
Bank fees not recorded on books										
Payroll tax payments not recorded										
Unreconciled bank activity				4,316						
Unreconciled ledger activity				19						(1,779,179)
Reclass negative cash balance				(3,973)						(366)
Returned item adjustment										5,138,405
Payroll/other activity in transit										
Petty cash funds										
Reporting reclass										
Unrecorded deposit										

[illegible]

	SCHWAB Payroll 00000014(96)	BNE Payroll 400264(960)	FIRST NATL DEBIT CARD 04387210	ESTIMOTECH Payroll 000000022437	MORGAN BANK Payroll 623857
Balance per books	\$ 45,246	\$ 24,454	\$ 10,000	\$ -	\$ 279,110
Bank Balance	\$ 45,246	\$ 24,447	\$ 10,000	\$ -	\$ 287,588
(+) Deposits in transit					(9,301)
(-) Outstanding checks					823
Other		7			
Adjusted bank balance	\$ 45,246	\$ 24,454	\$ 10,000	\$ -	\$ 279,110
Deposits in Transit	Date Amount	Date Amount	Date Amount	Date Amount	Date Amount
Outstanding Checks	Ck# Amount	Ck# Amount	Ck# Amount	Ck# Amount	Ck# Amount
					Detail Available
Other:					
Transfers between bank accounts					823
Accounting error					
Interest not recorded on books					
Bank fees not recorded on books					
Payroll tax payments not recorded					
Unreconciled bank activity					
Unreconciled ledger activity					
Reclass negative cash balance					
Returned item adjustment					
Payroll/other activity in transit					
Petty cash funds					
Reporting reclass					
Unrecorded deposit					

[illegible]

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Remedium Group, Inc. Bank Reconciliations May, 2005 MOR-1				
	JP Morgan Chase Passbook 323883842		JP Morgan Chase Debit Card 801831985	
Balance per books	\$ -		\$ (12,517)	
Bank Balance			\$ -	
(+) Deposits in transit				
(-) Outstanding checks			(12,517)	
Other				
Adjusted bank balance	\$ -		\$ (12,517)	
Deposits in transit	Date	Amount	Date	Amount
Outstanding checks	Check	Amount	Check	Amount
			6236	(665)
			6292	(32)
			6293	(78)
			9294	(117)
			6295	(256)
			6296	(550)
			6297	(936)
			6298	(1,361)
			6299	(8,521)
Other				
Transfers between bank accounts				
Accounting error				
Interest not recorded on books				
Bank fees not recorded on books				
Payroll tax payments not recorded				
Unreconciled bank activity				
Unreconciled ledger activity				
Returned item adjustment				
Payroll activity in transit				
Petty cash funds				

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Darex Puerto Rico, Inc. Bank Reconciliations May, 2005 MOR-1		
	Chart 2 Outstanding A/c	
	50015301	
Balance per books	\$ 5,666,008	
Bank Balance	\$ 5,901,317	
(+) Deposits in transit	2,990	
(-) Outstanding checks	(248,737)	
Other	8,438	
Adjusted bank balance	\$ 5,666,008	
Deposits in transit	Date	Amt
	5-May-05	2,990
Outstanding Checks	Chq. #	Amt
	15481	(27)
	15904	(728)
	16971	(520)
	17225	(8,111)
	17288	(128,882)
	17582	(8,226)
	17597	(65)
	17604	(781)
	17605	(4,738)
	17607	(1,188)
	17608	(91,847)
	17610	(95)
	17612	(1,914)
	various	(3,215)
Other		
Transfers between bank accounts		
Accounting error		
Interest not recorded on books		
Bank fees not recorded on books		
Payroll tax payments not recorded		
Unreconciled bank activity		
Unreconciled ledger activity		8,438
Returned item adjustment		
Payroll activity in transit		
Petty cash funds		

[illegible]

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W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Statement of Operations  
MOR - 2  
Month Ended June 30, 2005

	W.R. Grace & Co. Conn.	W.R. Grace & Co.	Reorganized Group Inc.	CCHE, Inc.	CC Partners	Grace Washington, Inc.	Libby, Inc. Metallurgical Inc.	Grace Energy, Inc.	Libby Realty, Inc.
Net sales to third parties	\$ 87,910,937	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	30,269,874	-	-	-	-	-	-	-	-
Net sales to filing entities	217,088	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	5,786,970	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(6,471,873)	4,130,856	619,863	19,173	845,233	-	2,602,915	-	-
	117,713,196	4,130,856	619,863	19,173	845,233	-	2,602,915	-	-
Cost of goods sold to third parties	57,525,104	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	24,391,779	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	213,121	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	(a) 30,739,118	-	6,016	-	-	7,675	-	-	-
Research and development expenses	3,277,717	-	-	-	-	-	-	-	-
Depreciation and amortization	5,900,224	-	2,317	-	-	-	-	-	-
Interest expense	4,332,786	-	-	-	-	-	-	-	-
Other expense (income)	(11,970,275)	-	-	-	-	-	-	-	-
	114,409,574	-	8,333	-	-	7,675	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	3,303,622	4,130,856	611,529	19,173	845,233	(7,675)	2,602,915	-	-
Chapter 11 reorganization expenses, net	(1,130,206)	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	2,444,823	(1,445,800)	(214,060)	(6,710)	(295,832)	61	(911,020)	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ 4,618,239</b>	<b>\$ 2,685,056</b>	<b>\$ 397,469</b>	<b>\$ 12,463</b>	<b>\$ 549,401</b>	<b>\$ (7,614)</b>	<b>\$ 1,691,895</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

(a) Amount includes \$767,084 of expenses for Grace's legal and indemnification costs related to the Libby indictment. \$461,817 of this amount relates specifically to the indemnification costs of the seven current and former employees under indictment.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Statement of Operations  
MOR - 2  
Month Ended June 30, 2005

	Grace and Memoranda Holdings Corp.	Danaher Holdings Corp.	Alchemia Holdings Corporation	ALCO Boston, Ltd.	ENSA Boston, Ltd.	GNH Boston, Ltd.	MEAT Holdings Corp.	MRA Holdings Corp.	MEAS Holdings Corp.
Net sales to third parties	\$ -	\$ 808,747	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	13,905	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	1,334,050	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(1,743,428)	(2,937)	-	-	-	-	-	-	-
	(409,378)	819,716	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	328,624	20,127	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	38,260	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	109,128	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	83,339	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income)	(238,567)	-	-	-	-	-	-	-	-
	(238,567)	559,352	20,127	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(170,811)	260,363	(20,127)	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	(234,213)	(117,669)	7,044	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Net (loss) Income	\$ (405,024)	\$ 142,694	\$ (13,083)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Statement of Operations  
MOR - 2  
Month Ended June 30, 2005

	Kennecott Development Company	GP Biomedical Inc.	AmCon, Inc.	Grace Environmental Inc.	GP Gravel Contracting Co. Inc.	Southern Resins Inc.	Grace Corbottle Development Corporation	Dewey & Leitch LLC	Asbestos Co. Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net (loss) Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.



## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Statement of Operations

MOR - 2

Month Ended June 30, 2005

	Grace Corp. Investors Inc.	CC Limited Partnership	Monolith Enterprises Inc. Corporate	Grace Energy Systems Inc.	Grace Hotel Services Corporation	Monroe Steel Corp.	Grace H. Ginc Corp.	Harbor Selling Corporation	Ecang Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Statement of Operations  
MOR - 2  
Month Ended June 30, 2005

	W.R. Grace & Co. Corporation	GC Materials Inc.	W.R. Grace Corporation	Deer Resort Inc.	W.R. Grace Corporation	Grassie New Communities Company, Inc.	Grassie New Communities Company, Inc.	Grassie New Communities Company, Inc.	Grassie New Communities Company, Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Statement of Operations  
MOR - 2  
Month Ended June 30, 2005

	Holladay Interiors, Inc.	WGC Thermalite Corp.	WGC Ventures Corp.	WGC Energy Corporation	WGC Management Corporation	WGC Onshore Company	WGC Onshore Company	WGC Onshore Company	WGC Onshore Company	WGC Onshore Company
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net (loss) Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Statement of Operations  
MOR - 2  
Month Ended June 30, 2005

	Continental Filing Entity	Continental Filing Entity	Grace Filing Entity	Grace Filing Entity	Grace Filing Entity	Grace Filing Entity	Grace Filing Entity	Grace Filing Entity	Grace Filing Entity
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	(230,994)
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	(230,994)
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	(251,381)
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
Other expense (income)	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	(251,381)
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	20,387
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,387</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities Combining Statement of Operations MOR - 2 Month Ended June 30, 2005		
	Conversion Equity Method	COMBINED FILING ENTITIES
Net sales to third parties	\$ -	\$ 88,719,684
Net sales to non-filing entities	-	30,269,874
Net sales to filing entities	-	-
Interest and royalties from non-filing entities, net	-	7,121,021
Interest and royalties from filing entities, net	-	-
	-	126,110,579
Cost of goods sold to third parties	-	57,873,855
Cost of goods sold to non-filing entities	-	24,391,779
Cost of goods sold to filing entities	-	-
Selling, general and administrative expenses	-	29,981,937
Research and development expenses	-	3,277,717
Depreciation and amortization	-	5,985,881
Interest expense	-	4,332,786
Other expense (income)	-	(12,208,842)
	-	113,615,114
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	12,495,465
Chapter 11 reorganization expenses, net	-	(1,130,206)
(Provision for) benefit from income taxes	-	(773,376)
Minority interest in income of subsidiary	-	-
Equity in net income of non-filing entities	3,009,045	3,009,045
<b>Net (loss) income</b>	<b>\$ 3,009,045</b>	<b>\$ 13,600,928</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Balance Sheet  
MOR - 3  
June 30, 2005

	W.R. Grace & Co. Conn.	W.R. Grace & Co. Inc.	Remed. M. Group Inc.	Co-Partn.	Co-Partners	Gr. & W. Holdings Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 229,634,924	\$ 48	\$ (175,620)	\$ -	\$ -	\$ -
Accounts and other receivables, net	128,102,361	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	396,226,153	(412,700,908)	(25,424,212)	12,881,822	(67,813,043)	(10,288,304)
Inventories	83,486,297	-	-	-	-	-
Deferred income taxes	26,966,588	-	1,768,845	-	-	-
Other current assets	14,017,477	-	-	-	-	-
<b>Total Current Assets</b>	<b>878,433,801</b>	<b>(412,700,861)</b>	<b>(23,830,987)</b>	<b>12,881,822</b>	<b>(67,813,043)</b>	<b>(10,288,304)</b>
Properties and equipment, net	344,109,486	-	415,924	-	-	-
Goodwill	14,499,090	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	81,340,039	-	-	-	-	-
Deferred income taxes	1,003,006,207	-	25,068,534	-	-	-
Asbestos-related insurance receivable	500,000,000	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(1,421,480,822)	923,852,066	112,503,447	5,166,629	223,577,542	-
Investment in filing and non-filing entities	823,527,308	241,512,111	-	-	-	-
Other assets	73,448,025	-	-	-	-	-
<b>Total Assets</b>	<b>\$2,296,883,135</b>	<b>\$752,463,316</b>	<b>\$114,156,917</b>	<b>\$18,048,451</b>	<b>\$155,764,500</b>	<b>\$ (10,288,304)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	61,023,450	-	26,477	-	-	-
Income taxes payable	(69,482)	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	123,618,891	-	57,445	-	-	1,464
<b>Total Current Liabilities</b>	<b>184,572,860</b>	<b>-</b>	<b>83,922</b>	<b>-</b>	<b>-</b>	<b>1,464</b>
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	300,375,534	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	377,517,880	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>862,466,273</b>	<b>-</b>	<b>83,922</b>	<b>-</b>	<b>-</b>	<b>1,464</b>
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	664,834,959	-	-	-	-	-
Accounts payable	30,517,957	-	665,607	-	-	-
Income taxes payable	68,626,137	42,755,015	(12,337,322)	191,581	8,870,809	(13,765)
Asbestos-related liability	1,700,000,000	-	-	-	-	-
Other liabilities	492,210,900	-	76,622,699	-	2,023,330	-
<b>Total Liabilities Subject to Compromise</b>	<b>2,956,189,953</b>	<b>42,755,015</b>	<b>64,950,984</b>	<b>191,581</b>	<b>10,894,139</b>	<b>(13,765)</b>
<b>Total Liabilities</b>	<b>3,818,656,226</b>	<b>42,755,015</b>	<b>65,034,906</b>	<b>191,581</b>	<b>10,894,139</b>	<b>(12,301)</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	83,968,980	782,969	12,223	1,000	-	1,000
Paid in capital	142,809,878	419,785,286	9,724,449	34,052,467	56,011,577	-
(Accumulated deficit)/Retained earnings	(1,342,905,869)	408,895,721	39,385,340	(16,196,596)	88,858,784	(10,277,003)
Treasury stock, at cost	-	(119,755,775)	-	-	-	-
Accumulated other comprehensive loss	(405,646,060)	100	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>(1,521,773,091)</b>	<b>709,708,301</b>	<b>49,122,012</b>	<b>17,856,871</b>	<b>144,870,361</b>	<b>(10,276,003)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$2,296,883,135</b>	<b>\$752,463,316</b>	<b>\$114,156,917</b>	<b>\$18,048,451</b>	<b>\$155,764,500</b>	<b>\$ (10,288,304)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Balance Sheet  
MOR - 3  
June 30, 2005

	W.R. Grace Management Inc.	Grace Europe Inc.	W.R. Grace Realty Inc.	Grace International Holdings Inc.	Grace Pulp & Paper Inc.	Asarco Corporation
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 5,690,892	\$ -
Accounts and other receivables, net	-	92,012	-	-	2,943,972	-
Receivables from/(payables to) filing and non-filing entities, net	(386,938,610)	5,644,346	140,524,854	(85,339,254)	(2,686,027)	(4,465,680)
Inventories	-	(0)	-	-	320,039	-
Deferred income taxes	-	83,326	-	-	1,473	-
Other current assets	-	-	-	-	691,631	-
<b>Total Current Assets</b>	(386,938,610)	5,819,684	140,524,854	(85,339,254)	6,961,980	(4,465,680)
Properties and equipment, net	-	-	-	-	597,912	-
Goodwill	-	-	-	-	4,377,631	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	513,190,964	(3,280,444)	-	27,797,435	(705,799)	-
Investment in filing and non-filing entities	-	-	-	58,669,464	-	-
Other assets	-	54,000	-	4,928,694	9,234,689	-
<b>Total Assets</b>	<b>\$ 126,252,354</b>	<b>\$ 2,593,239</b>	<b>\$ 140,524,854</b>	<b>\$ 6,056,340</b>	<b>\$ 20,466,411</b>	<b>\$ (4,465,680)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	24,735	-	-	1,013,524	-
Income taxes payable	-	-	-	-	69,750	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	355,441	-	-	272,327	-
<b>Total Current Liabilities</b>	-	380,177	-	-	1,355,600	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	0	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	380,177	-	-	1,355,600	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	133,907	-
Income taxes payable	27,330,095	(911,733)	(150)	(7,381,930)	2,381,372	(156,712)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	238,074	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	27,330,095	(673,660)	(150)	(7,381,930)	2,515,279	(156,712)
<b>Total Liabilities</b>	27,330,095	(293,483)	(150)	(7,381,930)	3,870,880	(156,712)
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	112	-	-	-	-	-
Common Stock	1,000	1,000	-	1,000	1,000	200
Paid in capital	(29,267,410)	-	25,358,993	61,845,489	13,074,177	274,806
(Accumulated deficit)/Retained earnings	128,188,557	(489,577)	115,166,011	(92,684,631)	3,520,354	(4,583,774)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	3,375,299	-	44,276,412	-	-
<b>Total Shareholders' Equity (Deficit)</b>	98,922,259	2,886,722	140,525,004	13,438,270	16,595,532	(4,308,968)
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 126,252,354</b>	<b>\$ 2,593,239</b>	<b>\$ 140,524,854</b>	<b>\$ 6,056,340</b>	<b>\$ 20,466,411</b>	<b>\$ (4,465,680)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Balance Sheet  
MOR - 3  
June 30, 2005

	Alouette Boston Ltd.	Five A Louie Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Information, Inc.	MRA Systems, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(2,143,580)	-	(57,817,172)	(110)	(330)	(19,771)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	(2,143,580)	-	(57,817,172)	(110)	(330)	(19,771)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	34,053,467	54,500,000	54,500,000	56,011,577
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$(2,143,580)</b>	<b>\$-</b>	<b>\$(23,763,706)</b>	<b>\$54,499,890</b>	<b>\$54,499,670</b>	<b>\$55,991,806</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(210)	-	-	(110)	(330)	(5,251)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(210)	-	-	(110)	(330)	(5,251)
<b>Total Liabilities</b>	(210)	-	-	(110)	(330)	(5,251)
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	931,540	1	130	130
Paid in capital	-	-	9,408,460	54,499,999	54,499,870	54,499,870
(Accumulated deficit)/Retained earnings	(2,143,370)	-	(34,103,706)	-	-	1,497,057
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	(2,143,370)	-	(23,763,706)	54,500,000	54,500,000	55,997,057
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$(2,143,580)</b>	<b>\$-</b>	<b>\$(23,763,706)</b>	<b>\$54,499,890</b>	<b>\$54,499,670</b>	<b>\$55,991,806</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.



W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Balance Sheet  
MOR - 3  
June 30, 2005

	Roots Development Company	ICE Biomedical Inc.	American Tech	Grace Environmental Inc.	Grace Chemical Company of Cuba	Southern Oil Resin & Fiberglass Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 5,839	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(10,483)	(26,614,022)	57,347,191	(7,283,826)	-	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	6,908	-	-	-	-	-
<b>Total Current Assets</b>	2,265	(26,614,022)	57,347,191	(7,283,826)	-	-
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	1,630,940	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 1,633,205</b>	<b>\$ (26,614,022)</b>	<b>\$ 57,347,191</b>	<b>\$ (7,283,826)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	551,649	5,000	-	-	-	-
<b>Total Current Liabilities</b>	551,649	5,000	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	551,649	5,000	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(8,122)	(195)	10,346,794	(230)	-	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(8,122)	(195)	10,346,794	(230)	-	-
<b>Total Liabilities</b>	543,527	4,805	10,346,794	(230)	-	-
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	-	5,150	-	-
Paid in capital	1,104,954	859,233	3,671,658	5,144,850	-	-
(Accumulated deficit)/Retained earnings	(15,276)	(27,478,060)	43,427,950	(12,433,596)	-	-
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	(99,212)	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	1,089,678	(26,618,827)	47,000,396	(7,283,596)	-	-
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 1,633,205</b>	<b>\$ (26,614,022)</b>	<b>\$ 57,347,191</b>	<b>\$ (7,283,826)</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Balance Sheet  
MOR - 3  
June 30, 2005

	W.R. Grace & Co. (Land Development Corporation)	Dowry & Almy LLC	Asbesto-Tech Co. LLC	Greystone Investments Inc.	WGL Partners LLC	Monolith Enterprises Incorporated
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	5,824,284	(102,989)	(1,119,103)	10,284,124	330	(2,417,714)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	5,824,284	(102,989)	(1,119,103)	10,284,124	330	(2,417,714)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	94,022	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	\$ 5,824,284	\$ (8,966)	\$ (1,119,103)	\$ 10,284,124	\$ 330	\$ (2,417,714)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	3	-	-
<b>Total Current Liabilities</b>	-	-	-	3	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	3	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(110)	-	(110)	(560)	(560)	(450)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(110)	-	(110)	(560)	(560)	(450)
<b>Total Liabilities</b>	(110)	-	(110)	(557)	(560)	(450)
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	2,000	29,000	1,000	1,000	26,000
Paid in capital	5,823,448	-	-	3,136,087	-	9,988,414
(Accumulated deficit)/Retained earnings	(52)	(10,966)	(1,147,993)	7,147,595	(110)	(12,431,678)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	5,824,394	(8,966)	(1,118,993)	10,284,682	890	(2,417,264)
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	\$ 5,824,284	\$ (8,966)	\$ (1,119,103)	\$ 10,284,124	\$ 330	\$ (2,417,714)

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Balance Sheet  
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	Grace Global Systems, Inc.	Grace Global Services Corporation	Grace Global Systems, Inc.	Grace Global Systems, Inc.	Grace Global Systems, Inc.	Grace Global Systems, Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840	(1,230,613)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	(26,312,455)	(5,132,933)	(3,350,634)	(2,509,849)	840	(1,230,613)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$(26,312,455)</b>	<b>\$(5,132,933)</b>	<b>\$(3,350,634)</b>	<b>\$(2,509,849)</b>	<b>\$840</b>	<b>\$(1,230,613)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	(818)	(110)	(210)	(110)	(30)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	-	(818)	(110)	(210)	(110)	(30)
<b>Total Liabilities</b>	-	(818)	(110)	(210)	(110)	(30)
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	-	-	1,000	1,000	1,000	50
Paid in capital	-	-	-	-	-	50
(Accumulated deficit)/Retained earnings	(26,312,455)	(5,132,115)	(3,351,524)	(2,510,639)	(50)	(1,230,683)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	(26,312,455)	(5,132,115)	(3,350,524)	(2,509,639)	950	(1,230,583)
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$(26,312,455)</b>	<b>\$(5,132,933)</b>	<b>\$(3,350,634)</b>	<b>\$(2,509,849)</b>	<b>\$840</b>	<b>\$(1,230,613)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Balance Sheet  
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	W.R. Grace and Corporation	G.R. Management Inc.	Water Street Corporation	Delirco Restaurants Inc.	W.R. Grace Corp. Corporation	Gloucester New Company Inc.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	36,708,324	-	(73,061)	(12,559,518)	(264,688)	(19,464,242)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>36,708,324</b>	<b>-</b>	<b>(73,061)</b>	<b>(12,559,518)</b>	<b>(264,688)</b>	<b>(19,463,742)</b>
Properties and equipment, net	-	-	-	-	438,445	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	6,284,806	-	-	-	-	-
Other assets	-	-	-	-	-	4,066
<b>Total Assets</b>	<b>\$ 42,993,130</b>	<b>\$ -</b>	<b>\$ (73,061)</b>	<b>\$ (12,559,518)</b>	<b>\$ (173,757)</b>	<b>\$ (19,459,676)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	4,066
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	199	-
<b>Total Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>199</b>	<b>4,066</b>
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>199</b>	<b>4,066</b>
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(812)	-	(110)	(265)	(759)	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	<b>(812)</b>	<b>-</b>	<b>(110)</b>	<b>(265)</b>	<b>(759)</b>	<b>-</b>
<b>Total Liabilities</b>	<b>(812)</b>	<b>-</b>	<b>(110)</b>	<b>(265)</b>	<b>(560)</b>	<b>4,066</b>
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	5,000	-	1,000	85,539	1,000	5,000
Paid in capital	19,577,160	-	-	6,541,055	4,000	6,000,000
(Accumulated deficit)/Retained earnings	23,411,782	-	(73,951)	(19,185,847)	169,317	(25,468,742)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	<b>42,993,942</b>	<b>-</b>	<b>(72,951)</b>	<b>(12,559,253)</b>	<b>174,317</b>	<b>(19,463,742)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ 42,993,130</b>	<b>\$ -</b>	<b>\$ (73,061)</b>	<b>\$ (12,559,518)</b>	<b>\$ (173,757)</b>	<b>\$ (19,459,676)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Balance Sheet  
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June 30, 2005

	Orion Food Firm Company	Grace PAR Corporation	Grace/ABC Corp.	Hony International Inc.	GP Thomasville Corp.	Grace Ventures Corp.
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	23,478,717	6,345,361	810,265	(59,581,637)	(185)	(86,721)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	23,478,717	6,345,361	810,265	(59,581,637)	(185)	(86,721)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	23,478,717	6,345,361	810,265	(59,581,637)	(185)	(86,721)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(1,432)	(300)	(335)	(405)	(185)	(110)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(1,432)	(300)	(335)	(405)	(185)	(110)
<b>Total Liabilities</b>	(1,432)	(300)	(335)	(405)	(185)	(110)
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,090,000	1,000	1,000	303,000	-	-
Paid in capital	33,631,999	18,090,032	-	37,765,000	-	1,900,000
(Accumulated deficit)/Retained earnings	(11,241,851)	(11,745,371)	809,600	(97,649,232)	-	(1,988,611)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	23,480,148	6,345,661	810,600	(59,581,232)	-	(86,611)
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	23,478,717	6,345,361	810,265	(59,581,637)	(185)	(86,721)

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Balance Sheet

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June 30, 2005

	Grace Energy Corporation	GEBC Management Corporation	Grace Operations Company	Coalbridge, Inc.	Grace A-B LLC	Grace H-G LLC
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	352,712,699	4,389,612	(15,750,664)	5,296,839	875,359	(5,314)
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	352,712,699	4,389,612	(15,750,664)	5,296,839	875,359	(5,314)
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	(35,903,123)	(14,135,725)	-	-	-	-
Investment in filing and non-filing entities	187,272,210	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$504,081,786</b>	<b>\$9,746,113</b>	<b>\$ (15,750,664)</b>	<b>\$5,296,839</b>	<b>\$875,359</b>	<b>\$ (5,314)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	-	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(119)	(110)	-	(360)	(310)	(260)
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(119)	(110)	-	(360)	(310)	(260)
<b>Total Liabilities</b>	(119)	(110)	-	(360)	(310)	(260)
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	1,000	(114,960)	100	1,000	1,000
Paid in capital	451,425,156	(2,089,027)	34,215,000	-	-	-
(Accumulated deficit)/Retained earnings	52,655,749	(7,657,976)	(49,850,704)	5,297,099	874,669	(8,054)
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	504,081,905	(9,746,003)	(15,750,664)	5,297,199	875,669	(5,054)
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$504,081,786</b>	<b>\$9,746,113</b>	<b>\$ (15,750,664)</b>	<b>\$5,296,839</b>	<b>\$875,359</b>	<b>\$ (5,314)</b>

## Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Balance Sheet  
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June 30, 2005

	Goldcorp LLC	Graceland LLC	Graceland Inc.	Grace Drilling Company	Grace Petroleum Libya Incorporated	Amal Basin Ranch Company
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	108,080	130,215,533	145,239,206	(81,115,113)	47,407,796	-
Inventories	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total Current Assets</b>	108,080	130,215,533	145,239,206	(81,115,113)	47,407,796	-
Properties and equipment, net	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-	-
Deferred income taxes	-	-	-	-	-	-
Asbestos-related insurance receivable	-	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	-	-	-	-
Investment in filing and non-filing entities	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total Assets</b>	\$ 108,080	\$ 130,215,533	\$ 145,239,206	\$ (81,115,113)	\$ 47,407,796	\$ -
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>						
<b>Liabilities Not Subject to Compromise</b>						
<b>Current Liabilities</b>						
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-	-
Income taxes payable	-	-	-	-	-	-
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
Debt payable after one year	-	-	-	-	-	-
Deferred income taxes	-	27,277,846	27,277,846	-	-	-
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	27,277,846	27,277,846	-	-	-
<b>Liabilities Subject to Compromise</b>						
Debt, pre-petition plus accrued interest	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Income taxes payable	(360)	1,749,615	1,749,790	(480)	(110)	-
Asbestos-related liability	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	(360)	1,749,615	1,749,790	(480)	(110)	-
<b>Total Liabilities</b>	(360)	29,027,461	29,027,636	(480)	(110)	-
<b>Shareholders' Equity (Deficit)</b>						
Preferred Stock	-	-	-	-	-	-
Common Stock	1,000	1,000	100	124,473	1,000	-
Paid in capital	-	30,293,750	13,880,108	51,173,713	7,308,934	-
(Accumulated deficit)/Retained earnings	107,440	70,893,322	102,331,362	(132,412,819)	40,097,972	-
Treasury stock, at cost	-	-	-	-	-	-
Accumulated other comprehensive loss	-	-	-	-	-	-
<b>Total Shareholders' Equity (Deficit)</b>	108,440	101,188,072	116,211,570	(81,114,633)	47,407,906	-
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	\$ 108,080	\$ 130,215,533	\$ 145,239,206	\$ (81,115,113)	\$ 47,407,796	\$ -

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Balance Sheet  
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	Hayden-Guth West Coal Company	H-G Co. Company	Filing Entities	Conversion to Equity Method	Reporting Releases
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts and other receivables, net	-	-	-	-	-
Receivables from/(payables to) filing and non-filing entities, net	-	-	-	-	200,000
Inventories	-	-	-	-	-
Deferred income taxes	-	-	-	-	(15,983,160)
Other current assets	-	-	-	-	-
<b>Total Current Assets</b>	-	-	-	-	(15,783,160)
Properties and equipment, net	-	-	-	-	-
Goodwill	-	-	-	-	-
Cash value of company owned life insurance, net of policy loans	-	-	-	-	-
Deferred income taxes	-	-	-	-	(354,931,226)
Asbestos-related insurance receivable	-	-	-	-	-
Loans receivable from/(payable to) filing and non-filing entities, net	-	-	(1,326,102,717)	278,501,827	1,800,000
Investment in filing and non-filing entities	-	-	(1,101,282)	-	-
Other assets	-	-	-	-	-
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,327,203,999)</b>	<b>\$ 278,501,827</b>	<b>\$ (368,914,386)</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>					
<b>Liabilities Not Subject to Compromise</b>					
<b>Current Liabilities</b>					
Debt payable within one year	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-
Income taxes payable	-	-	-	-	5,000,000
Asbestos-related liability expected to be disbursed within one year	-	-	-	-	-
Other current liabilities	-	-	-	-	(26,783,160)
<b>Total Current Liabilities</b>	-	-	-	-	(21,783,160)
Debt payable after one year	-	-	-	-	-
Deferred income taxes	-	-	-	-	(354,931,226)
Asbestos-related liability expected to be disbursed after one year	-	-	-	-	-
Other liabilities	-	-	(100,000)	-	-
<b>Total Liabilities Not Subject to Compromise</b>	-	-	(100,000)	-	(376,714,386)
<b>Liabilities Subject to Compromise</b>					
Debt, pre-petition plus accrued interest	-	-	-	-	-
Accounts payable	-	-	-	-	-
Income taxes payable	-	-	-	-	-
Asbestos-related liability	-	-	-	-	-
Other liabilities	-	-	-	-	-
<b>Total Liabilities Subject to Compromise</b>	-	-	-	-	-
<b>Total Liabilities</b>	-	-	(100,000)	-	(376,714,386)
<b>Shareholders' Equity (Deficit)</b>					
Preferred Stock	-	-	-	-	-
Common Stock	-	-	(86,493,960)	-	-
Paid in capital	-	-	(1,222,570,000)	-	-
(Accumulated deficit)/Retained earnings	-	-	(17,040,039)	297,656,782	2,000,000
Treasury stock, at cost	-	-	-	-	-
Accumulated other comprehensive loss	-	-	(1,000,000)	(18,154,955)	5,800,000
<b>Total Shareholders' Equity (Deficit)</b>	-	-	(1,327,103,999)	278,501,827	7,800,000
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,327,203,999)</b>	<b>\$ 278,501,827</b>	<b>\$ (368,914,386)</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.



W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Balance Sheet  
MOR - 3  
June 30, 2005

	COMBINED FILING ENTITIES
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and cash equivalents	\$ 235,156,582
Accounts and other receivables, net	131,138,345
Receivables from/(payables to) filing and non-filing entities, net	61,898,972
Inventories	83,806,336
Deferred income taxes	12,837,072
Other current assets	14,716,016
<b>Total Current Assets</b>	<b>539,553,323</b>
Properties and equipment, net	345,561,767
Goodwill	18,876,721
Cash value of company owned life insurance, net of policy loans	81,340,039
Deferred income taxes	673,143,515
Asbestos-related insurance receivable	500,000,000
Loans receivable from/(payable to) filing and non-filing entities, net	330,382,171
Investment in filing and non-filing entities	470,624,074
Other assets	88,199,132
<b>Total Assets</b>	<b>\$1,304,768,741</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>	
<b>Liabilities Not Subject to Compromise</b>	
<b>Current Liabilities</b>	
Debt payable within one year	\$ 0
Accounts payable	62,092,253
Income taxes payable	5,000,268
Asbestos-related liability expected to be disbursed within one year	-
Other current liabilities	98,079,259
<b>Total Current Liabilities</b>	<b>165,171,780</b>
Debt payable after one year	-
Deferred income taxes	-
Asbestos-related liability expected to be disbursed after one year	-
Other liabilities	377,417,880
<b>Total Liabilities Not Subject to Compromise</b>	<b>542,589,659</b>
<b>Liabilities Subject to Compromise</b>	
Debt, pre-petition plus accrued interest	664,834,959
Accounts payable	31,317,471
Income taxes payable	143,175,259
Asbestos-related liability	1,700,000,000
Other liabilities	571,095,002
<b>Total Liabilities Subject to Compromise</b>	<b>3,110,422,691</b>
<b>Total Liabilities</b>	<b>3,653,012,350</b>
<b>Shareholders' Equity (Deficit)</b>	
Preferred Stock	112
Common Stock	785,645
Paid in capital	423,453,280
(Accumulated deficit)/Retained earnings	(537,366,454)
Treasury stock, at cost	(119,755,775)
Accumulated other comprehensive loss	(372,448,417)
<b>Total Shareholders' Equity (Deficit)</b>	<b>(605,331,609)</b>
<b>Total Liabilities and Shareholders' Equity (Deficit)</b>	<b>\$1,304,768,741</b>

**Note #3**

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

Chart 5

**W. R. Grace & Co. - Conn**  
**Status of Postpetition Taxes**  
**MOR-4**  
**June 30, 2005**

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
<b>Federal</b>				
Withholding	\$ -	\$ 2,211,638	\$ (2,211,638)	\$ -
FICA - Employee	4,324	1,193,793	(1,193,641)	4,476
FICA and payroll- Employer	(205,555)	1,193,401	(1,052,660)	(64,814)
Unemployment	-	6,036	(6,036)	-
Other	-	11,445	(11,445)	-
<b>Total Federal Taxes</b>	<b>\$ (201,231)</b>	<b>\$ 4,616,313</b>	<b>\$ (4,475,420)</b>	<b>\$ (60,338)</b>
<b>State and Local</b>				
Withholding	\$ (236)	\$ 776,085	\$ (775,849)	\$ -
Sales & Use	519,568	377,357	(347,451)	549,474
Property Taxes	2,485,638	388,620	(10,621)	2,863,637
Other	-	75,001	(75,001)	-
<b>Total State and Local</b>	<b>\$ 3,004,970</b>	<b>\$ 1,617,063</b>	<b>\$ (1,208,922)</b>	<b>\$ 3,413,111</b>
<b>Total Taxes</b>	<b>\$ 2,803,739</b>	<b>\$ 6,233,376</b>	<b>\$ (5,684,342)</b>	<b>\$ 3,352,773</b>

**Note #4**

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.